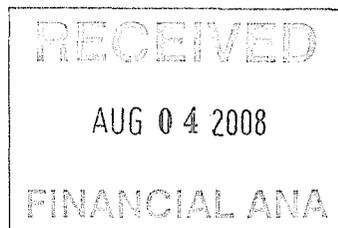


BURKESVILLE GAS COMPANY, INC.

119 Upper River St. - P. O. Box 69
Burkesville, Kentucky 42717
Telephone (270) 864-9400 - Fax (270) 864-5135
Corporate Office
5005 Live Oak, Greenville, Texas 75402
Telephone (903) 454-4000 - Fax (903) 454-2320



August 1, 2008

RECEIVED

AUG 04 2008

PUBLIC SERVICE
COMMISSION

Ms. Stephanie Stumbo
Executive Director
Commonwealth of Kentucky
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RE: Purchased Gas Adjustment

Dear Ms. Stumbo:

2008-314

Enclosed are the original and 10 copies of the necessary filings for the monthly report of the Gas Cost Recovery Rate Calculation for Burkesville Gas Company, Inc. for the reporting period ending June 30, 2008.

If you need additional information, please contact me at 903-454-4000 or by e-mail at brenda.cfri@verizon.net.

Thank you in advance for your consideration of this matter.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Brenda Everett".

Brenda Everett

Enclosure

RECEIVED

CASE #

AUG 04 2008

PUBLIC SERVICE
COMMISSION

BURKESVILLE GAS COMPANY

MONTHLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

DATE FILED:

1-Aug-08

RATES TO BE EFFECTIVE:

1-Sep-08

REPORTING PERIOD IS CALENDER MONTH ENDED:

30-Jun-08

Prepared By:


Brenda Everette

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

| COMPONENT | UNIT | AMOUNT |
|------------------------------|--------|-----------------|
| EXPECTED GAS COST (EGC) | \$/MCF | 16.0142 |
| REFUND ADJUSTMENT (RA) | \$/MCF | 0.0000 |
| ACTUAL ADJUSTMENT (AA) | \$/MCF | <u>(1.8970)</u> |
| GAS COST RECOVERY RATE (GCR) | | <u>14.1172</u> |

GCR TO BE EFFECTIVE FOR SERVICE RENDERED FROM SEPTEMBER 1, 2008 - SEPTEMBER 30, 2008

(A) EXPECTED GAS COST CALCULATION

| | | | |
|--------------------------------------------|--------|----|----------------|
| TOTAL EXPECTED GAS COST (SCH II) | \$ | \$ | 36,032 |
| SALES FOR THE 2 MONTHS ENDED JUNE 30, 2008 | MCF | | <u>2250</u> |
| EXPECTED GAS COST (EGC) | \$/MCF | | <u>16.0142</u> |

(B) REFUND ADJUSTMENT CALCULATION

| | | | |
|--------------------------------------------------------|--------|--|---------------|
| SUPPLIER REFUND ADJUSTMENT FOR REPORT PERIOD (SCH III) | \$/MCF | | 0.0000 |
| PREVIOUS QUARTER SUPPLIER REFUND ADJUSTMENT | \$/MCF | | 0.0000 |
| SECOND PREVIOUS QUARTER SUPPLIER REFUND ADJUSTMENT | \$/MCF | | 0.0000 |
| THIRD PREVIOUS QUARTER SUPPLIER REFUND ADJUSTMENT | \$/MCF | | <u>0.0000</u> |
| REFUND ADJUSTMENT (RA) | \$/MCF | | <u>0.0000</u> |

(C) ACTUAL ADJUSTMENT CALCULATION

| | | | |
|-----------------------------------------------------|--------|--|----------------|
| ACTUAL ADJUSTMENT FOR THE REPORTING PERIOD (SCH IV) | \$/MCF | | 1.1170 |
| PREVIOUS QUARTER ACTUAL ADJUSTMENT | \$/MCF | | -0.7829 |
| SECOND PREVIOUS QUARTER ACTUAL ADJUSTMENT | \$/MCF | | -2.2311 |
| THIRD PREVIOUS QUARTER ACTUAL ADJUSTMENT | \$/MCF | | <u></u> |
| ACTUAL ADJUSTMENT (AA) | | | <u>-1.8970</u> |

SCHEDULE II
EXPECTED GAS COST

| 1 | 2 | 3 | 4 | 5 |
|-----------------------|---------------|------------|-----------------|-------------------|
| SUPPLIER | MCF PURCHASED | DTH FACTOR | RATE PER MCF | 2 X 3 X 4 COST |
| EAGLE ENERGY PARTNERS | 2027 | | \$ 15.224 | \$ 30,859 |
| APACHE TRANSMISSION | 2027 | | \$ 2.552 | \$ 5,173 |

TOTALS

\$ 36,032

LINE LOSS FOR 2 MONTH ENDED JUNE 30, 2008: -9.9111%
 BASED ON PURCHASES OF: 2027 AND SALES OF: 2250

| | UNIT | AMOUNT |
|---------------------------------------------------------------------------------------------------------|-----------|------------------------|
| TOTAL EXPECTED COST OF PURCHASES (5) / MCF PURCHASES (2) | \$ MCF | \$ 36,032 2027 |
| AVERAGE EXPECTED COST PER MCF PURCHASED TIMES ALLOWABLE MCF PURCHASES (NOT TO EXCEED MCF SALES /.95) | | 17.7760 <u>2027</u> |
| TOTAL EXPECTED GAS COST (TO SCH IA) | | <u>\$ 36,032</u> |

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

DETAILS FOR 2 MONTHS ENDING JUNE 30, 2008

| PARTICULARS | UNIT | AMOUNT |
|------------------------------------------------------------------|-------------|-------------------|
| TOTAL SUPPLIER REFUND RECEIVED | \$ | 0.0000 |
| INTEREST | \$ | <u>0.0000</u> |
| REFUND ADJUSTMENT INCLUDING INTEREST | | 0.0000 |
| SALES FOR 2 MONTHS ENDING JUNE 30, 2008 | MCF | <u> </u> |
| SUPPLIER FUND ADJUSTMENT FOR THE REPORTING PERIOD (TO SCH IB) | \$/MCF | 0.0000 |

Page 4
QTR GCA REPORT SCH IV
ACTUAL ADJUSTMENT
THE TWO MONTH PERIOD ENDING JUNE 30, 2008

| <u>PARTICULARS</u> | <u>UNIT</u> | <u>MONTH 1</u> May-08 | <u>MONTH 2</u> Jun-08 |
|-----------------------------------------------------------------------|-------------|--------------------------|--------------------------|
| TOTAL SUPPLY VOLUMES PURCH. | MCF | 1271 | 893 |
| ACTUAL COST OF VOLUMES PURCH. | \$ | 18,688.92 | 14,367.90 |
| TOTAL SALES VOLUME (MAY NOT BE LESS THAN 95% OF SUPPLY VOLUMES) | MCF | 1438 | 812 |
| UNIT COST OF SALES | \$/MCF | 12.9965 | 17.6945 |
| EGC IN EFFECT FOR MONTH | \$/MCF | 12.5264 | 15.4317 |
| DIFFERENCE (OVER)/UNDER RECOVERY | \$/MCF | 0.4701 | 2.2628 |
| ACTUAL SALES DURING MONTH | MCF | 1438 | 812 |
| MONTHLY COST DIFFERENCE (RECOVERY DIFF*ACTUAL SALES) | \$ | 675.96 | 1,837.36 |
| TOTAL COST DIFFERENCE MONTH 1 TO 2 | | | 2,513.32 |
| SALES FOR 2 MONTHS ENDED JUNE 30, 2008 | | | 2250 |
| ACTUAL ADJUSTMENT (AA) FOR THE REPORTING PERIOD (SCH IC) | | | 1.1170 |